

California Gambling Control Commission

2399 Gateway Oaks Drive, Suite 220

SACRAMENTO, CA 95833

(916) 263-0700 FAX (916) 263-0499

www.cgcc.ca.gov

**MINUTES OF MARCH 22, 2012
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairperson Stephanie Shimazu called the meeting to order at 10:00 a.m., and asked everyone to stand for the Pledge of Allegiance.

2. Roll Call of Commissioners.

Roll Call of Commissioners was taken, with Chairperson Stephanie Shimazu and Commissioners Tiffany Conklin, Lauren Hammond and Richard Schuetz present.

Chairperson Shimazu acknowledged the passing of Mr. Rod Blonien and Tribal Chairman Richard Milanovich. Remembrance comments were offered by Chairperson Shimazu, Keith Sharp, Tracy Buck Walsh, Angela Schiele and Executive Director Tina Littleton.

3. Applications for Approval of Renewal of State Gambling Licenses (Pursuant to Business and Professions Code section 19876):

A. Capitol Casino: Capitol Casino, Inc.
Clarke Rosa, Shareholder, President, Director
Sandra Rosa, Shareholder, Treasurer,
Secretary

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal state gambling license for the licensure period April 1, 2012 through March 31, 2014.

Commission Meeting Minutes 3-22-12

- B. Crystal Casino and Hotel: Celebrity Casinos, Inc.
Mark Kelegian, President, Shareholder
Haig Kelegian, Jr., CFO, Secretary,
Shareholder
Haig Kelegian, Sr., Shareholder
Walter Lack, Shareholder
Leo Chu, Shareholder

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal state gambling license for the remainder of the licensure period April 1, 2012 through July 31, 2013; and removed the existing condition listed below:

Provide documentation to the California Gambling Control Commission and the Bureau of Gambling Control that substantiates the violations identified by the City of Compton Fire Department have been remedied, specific to the 3rd floor renovations.

- C. Delta Casino: Delta C, LP
Delta CM, Inc., General Partner
Tigran Marcarian, General Partner, Limited Partner
Fazel Mostashari, General Partner, Limited Partner
George Aslanian, Limited Partner
Beatrice Ackelbein, Limited Partner
Chant Manoukian, Limited Partner
Unallocated, General Partner
- D. Delta Casino, downtown: Delta C, LP
Delta CM, Inc., General Partner
Tigran Marcarian, General Partner, Limited Partner
Fazel Mostashari, General Partner, Limited Partner
George Aslanian, Limited Partner
Beatrice Ackelbein, Limited Partner
Chant Manoukian, Limited Partner
Unallocated, General Partner

With concurrence by the Commissioners, Items 3C and 3D were heard together.

Comments Received From:

Commission Meeting Minutes 3-22-12

Tigran Marcarian
Frances Asuncion, Bureau of Gambling Control

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal applications for Delta Casino valid through March 31, 2014, and Delta, Downtown valid through April 30, 2014, continued with their respective existing conditions and added a new condition as noted below:

Existing Conditions:

1. *Each Lender and/or Pledgee must receive Commission approval before a lender, under any of the Financing Agreements or amendments thereto, could foreclose on, take over, or otherwise exercise any secured creditor's right (or ownership right), over or against any asset of Delta CM, Inc., Delta C, LP or Delta Casino, downtown.*
2. *Each substantive amendment to the Financing Agreements that implicates gaming regulatory matters should be with the Commission's prior approval; and that whether substantive or otherwise, all proposed amendments to any of the Financing Agreements shall be provided to Commission staff for review at least ninety (90) days prior to the anticipated effective date of such amendment.*

New Condition:

3. *Delta Casino and Delta Casino, downtown must provide to the Bureau of Gambling Control and the California Gambling Control Commission the financial statements pursuant to Title 4, California Code of Regulations, Division 18, Chapter 7, section 12403 for the 2010 and 2011 reporting periods by April 30, 2012.*

E. Lucky Derby Casino:	Point Walker, Inc. Kermit Schayltz, President, Shareholder Leo Chu, Vice President, CFO, Secretary, Shareholder Sandra Schayltz, Community Property Interest Holder Ivy Chu, Community Property Interest Holder
------------------------	---

Comments Received From:

Keith Sharp

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Hammond and

Commission Meeting Minutes 3-22-12

unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved to extend the renewal state gambling license for Lucky Derby Casino for the licensure period of April 1, 2012 through September 30, 2012.

F. Rogelio's: Rogelio's Inc.
Rogelio Garcia, President, Shareholder
Mew Ha Garcia, Vice President, Shareholder

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal state gambling license application for the licensure period of April 1, 2012 through March 31, 2014.

4. Request for Approval to Remove Condition(s) from State Gambling License (Pursuant to Business and Professions Code section 19824(b)):

- A. Cordova Casino and Restaurant: Cal-Pac Rancho Cordova, LLC
John Park, Sole Member
- B. Lotus Casino: The Silver F. Inc.
John Park, President, Secretary, Treasurer,
Shareholder
- C. The 101 Casino: Cal-Pac Sonoma, LLC
John Park, Member,
Richard Shindle, Member

Action:

Upon motion of Commissioner Conklin, seconded by Chairperson Shimazu and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission removed the following condition from John Park's endorsement for the state gambling licenses of Cordova Restaurant and Casino, Lotus Casino, and The 101 Casino:

John Park is required to provide all documentation to the Bureau of Gambling Control and Commission which permits an evaluation and determination of the source of funds and financial interest in the establishment and operation of Kings Consulting Group, LLC.

Further, Mr. Park will provide monthly reports to the Commission and Bureau with the documents requested above beginning September 15, 2011.

5. Applications for Approval of Initial Key Employee Portable Personal Licenses (Pursuant to Business and Professions Code section 19854):

- A. John Harris

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the initial key employee application through March 31, 2013.

B. Steven Jivapongse

Comments Received From:

Steven Jivapongse

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the initial key employee application through May 31, 2013

C. Tanya Mendoza

Action:

Upon motion of Chairperson Shimazu, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the initial key employee application through May 31, 2013.

6. Request for Approval to Withdraw Application for Key Employee Portable Personal License (Pursuant to Business and Professions Code section 19869 and CCR, Title 4, section 12047):

Amy Rossi

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the request to withdraw without prejudice the key employee license application.

7. Application for Approval of Conversion of Third-Party Providers of Proposition Player Services /Gambling Business Supervisor/Player Registrations to Licenses (Pursuant to Business and Professions Code section 19984 and CCR, Title 4, sections 12218 and 12233):

A. Banc, LLC:

Supervisor: Stephanie Garcia

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the conversion application through March 31, 2014.

B. Certified Network M, Inc.:

Players: Billy Hall

Comments Received From:

Billy Hall, (via telephone)

Deborah Dunn, Bureau of Gambling Control

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the conversion application through March 31, 2014 with the condition listed below:

Licensee shall provide quarterly reports to the Bureau of Gambling Control and the Gambling Control Commission which documents his efforts to successfully complete the probationary periods imposed subsequent to his convictions in August 2010 and June 2011. As part of these reports, licensee will include any violations of probation or subsequent arrests or convictions.

8. Application for Approval of Initial Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.5):

Shuffle Master, Inc.: Principals: Linster W. Fox, Executive Vice President,
CFO, Treasurer, Secretary
Daniel M. Wade, Director

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the initial Finding of Suitability application through July 31, 2012.

9. Application for Approval of Initial Tribal-State Compact Key Employee Findings of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

Havasu Landing Resort & Casino, Chemehuevi Indian Tribe of the Chemehuevi Reservation: Manuel Jacques

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and

unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the finding of suitability application through June 20, 2012.

CONSENT CALENDAR ITEMS:

10. Request for Approval of Articles of Incorporation (Pursuant to Business and Professions Code section 19881):

The Deuce Lounge and Casino: GLCR, Inc.
Kyle Kirkland, President, Shareholder
Dana Messina, Secretary, Treasurer,
CFO, Shareholder

11. Applications for Approval of Initial Work Permit (Pursuant to Business and Professions Code section 19912):

A. Napa Valley Casino: James Tanyao
B. Outlaws Card Parlour: Shae Angles
C. The 101 Casino: Laura Baker Kucheng Hu
Andrew Wang
D. The Deuce Lounge and Casino: Charley McLean

12. Applications for Approval of Renewal Work Permit (Pursuant to Business and Professions Code section 19912):

A. Napa Valley Casino: Yi Yuen Teh
B. The 101 Casino: Olga Ventura DeCruz Cui Ping Liang
Na Zhang

13. Application for Approval of Renewal of Third-Party Provider of Proposition Player Services/ Gambling Business Licenses (Pursuant to CCR, Title 4, sections 12218.8 and 12238)

PT Gaming, LLC:
Player: Avamarie Fernandezees

14. Applications for Approval of Initial Tribal-State Compact Key Employee Findings of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

A. Agua Caliente Casino Resort Spa – Agua Caliente Band of Cahuilla Indians:
Gil Reeves
B. Barona Resort and Casino – Barona Band of Mission Indians:
Mary Garces
C. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne
Rancheria:
Franklin Caperton
D. Cache Creek Casino Resort – Yocha Dehe Wintun Nation:
Leo Lee
E. Garcia River Casino – Manchester Band of Pomo Indians of the Manchester-
Point Arena Rancheria
George Frank Brandy Oropeza

Commission Meeting Minutes 3-22-12

- F. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:
Robert Alfonso Donald Didion Jr. David Messick
David Ramirez
- G. Pala Casino Spa Resort – Pala Band of Mission Indians:
Enrique Hernandez-
Garcia
- H. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Connie Knight
- I. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:
Timothy Delugo Jonathon Runyan Susan Smith
- J. Santa Ysabel Casino – Santa Ysabel Band of Digueno Indians:
Jose Fernandez
- K. Table Mountain Casino – Table Mountain Rancheria:
Felipe Valdez Jr.
- L. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:
Mary Ann Rara

15. Applications for Approval of Renewal Tribal-State Compact Key Employee Findings of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

- A. Agua Caliente Casino Resort Spa – Agua Caliente Band of Cahuilla Indians:
Charles Arrage Juan Frias Scott Gibson
Ernesto Hernandez Manuel Luna Paula Miller
- B. Augustine Casino – Augustine Band of Cahuilla Mission Indians:
Sue Cook Jorge Garcia Joel Knutzen
Humberto Murillo Aaron Strickland
- C. Barona Resort and Casino – Barona Band of Mission Indians:
Andrew Guerrero Raymond Juergens Jennifer Wandersee
- D. Blue Lake Casino and Hotel – Blue Lake Rancheria:
Shannon Murphy Shane Williamson
- E. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Joel Saunders Jr. Govid Sinarong
- F. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Christopher Atkinson Kristi Hamilton Jennifer Ramirez
Dennis Theiler
- G. Eagle Mountain Casino – Tule River Indian Tribe of the Tule River Reservation:
Tyson Gibson Stanley Santo
- H. Gold Country Casino & Hotel – Berry Creek Rancheria of Maidu Indians of California:
Julie Brown Kirby Brown Dustin Edwards
Arthur Hatley Jr. Mikel Hedrick Rodney Huffman
Christopher Ledgerwood Fernando Lopez Samuel Lupp

Commission Meeting Minutes 3-22-12

- Michael Massa Terry Nighswander Nai Saelee
Edward White
- I. Havasu Landing Resort & Casino – Chemehuevi Indian Tribe of the
Chemehuevi Reservation:
 Mervin Smith
- J. Konocti Vista Casino – Big Valley Band of Pomo Indians of the Big Valley
Rancheria:
 Lisa England
- K. Pala Casino Spa Resort – Pala Band of Mission Indians:
 Vincent Ah Sue Katherine Garcia Rhonda Gillyard
 Jorge Maldonado Linda Roberts Brian Roe
 Antonia Sevene Sangdow Thompson Yoa Tuy
- L. Pit River Casino – Pit River Tribe:
 Michael Avelar Lamont Maldonado
- M. Soboba Casino – Soboba Band of Luiseno Indians:
 Charles Warren
- N. Spotlight 29 Casino – Twenty-Nine Palms Band of Mission Indians:
 Richard Hahn Rosa Vincent
- O. Table Mountain Casino – Table Mountain Rancheria:
 Michael Stone
- P. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa
Rosa Rancheria:
 Rene Quiroz Shane Rhodes Danielle Roberts
 Henry Sedillo Vincent Squeo Joseph Zarate
- Q. Thunder Valley Casino Resort – United Auburn Indian Community of the
Auburn Rancheria:
 Matthew Lemos
- R. Valley View Casino & Hotel – San Pasqual Band of Diegueno Mission Indians:
 Jesus Adame Fely Joachim Vu Nguyen
 Joseph Tripp
- S. Win-River Casino – Redding Rancheria:
 Charles Hawes

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the Consent Calendar Items 10 through 15.

16. Disciplinary Matter (Pursuant to Business and Professions Code section 19930 and CCR, Title 4, section 12552):

Stipulation, Decision, and Order in the Matter of the Accusation against: Albert Cianfichi, Sole Proprietor, Kelly's Cardroom (OAH No. 2012010654)

Comments Received From:

Harlan Goodson

Jennifer Henderson, Deputy Attorney General
Gene Cianfichi
Albert Cianfichi

CLOSED SESSION:

1. Deliberation on Decision Regarding Disciplinary Matter (Government Code section 11126(c)(3)):
Stipulation, Decision, and Order in the Matter of the Accusation against: Albert Cianfichi, Sole Proprietor, Kelly's Cardroom (OAH No. 2012010654)
2. Litigation: (Government Code section 11126(e)):
 - A. *California Valley Miwok Tribe v. The California Gambling Control Commission*; San Diego County Superior Court (37-2008-00075326-CU-CO-CTL).
 - B. *Candace Cates v. Steve Westly, et al.*, San Diego County Superior Court (GIC 821775).
 - C. *San Pasqual Band of Mission Indians v. State of California, et al.*, U.S. Dist. Court, S.D. California (06CV0988 LAB AJB).
 - D. *Pauma Band of Luiseno Mission Indians v. Gambling Control Commission; and Arnold Schwarzenegger*, U.S. Dist Court S. D. California (09 CV01955 LAB AJB)
 - E. *Timothy Eugene Stroud v. California Gambling Control Commission*, San Luis Obispo County Superior Court (CV100082).
 - F. *San Pasqual Band of Mission Indians v. State of California, et al.*, Los Angeles County Superior Court (BC431469)

RECONVENE TO OPEN SESSION:

The Commission reconvened to Open Session at 11:55 and convened back to Closed Session at 12:00 p.m.

The Commission reconvened to Open Session at 12:12 p.m.

1. Deliberation on Decision Regarding Disciplinary Matter (Government Code section 11126(c)(3)):
Stipulation, Decision, and Order in the Matter of the Accusation against: Albert Cianfichi, Sole Proprietor, Kelly's Cardroom (OAH No. 2012010654)

Action:

The Commission did not approve the stipulated settlement.

PUBLIC COMMENT:

None.

ADJOURNMENT:

Commission Meeting Minutes 3-22-12

Chairperson Shimazu adjourned the meeting at 12:15 p.m. in memory of Mr. Rod Blonien and Mr. Richard Milanovich.